

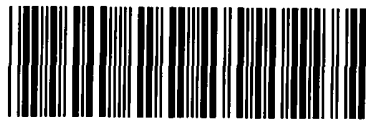
**Company Registration No. 00164062**

**ENIC Group**

**Report and Financial Statements**

**For the year to 31 December 2016**

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# **ENIC Group**

## **Annual Report and financial statements 31 December 2016**

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# **ENIC Group**

## **Annual Report and financial statements 31 December 2016**

### **Officers and professional advisers**

#### **Directors**

Daniel Philip Levy  
Matthew John Collecott

#### **Secretary**

Matthew John Collecott

#### **Registered Office**

Hill House  
1 Little New Street  
London EC4A 3TR

#### **Auditor**

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

# ENIC Group

## Strategic report

The Directors present their strategic report for the year ended 31 December 2016.

### Principal activities and business review

ENIC Group is an investment company investing through its subsidiaries in different businesses with the aim to build long term investment growth.

The company financed the acquisition of an executive jet in 2007, the jet is available to charter full time and makes an operating surplus.

The directors consider the company to be well placed to perform satisfactorily in the future by retaining the current portfolio and ensuring it attains the best long term value for the group.

### Going concern

The company meets its day to day working capital requirements through its operational incomes. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company is able to operate within the level of its facilities. The company is in compliance with all of its covenants and has sufficient headroom for the foreseeable future.

The directors note that the company continues to perform satisfactorily and the balance sheet retains a net asset position. After making enquires and taking into consideration the company's balance sheet position and forecast trading performance, the directors have formed the judgement that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

### Results and dividends

The audited financial statements for the year to 31 December 2016 are set out on pages 6 to 15.

The profit for the year, after taxation was £6.6m (2015: profit of £0.7m).

During the year no dividend was declared (2015: £nil).

Approved by the Board of Directors and signed on behalf of the Board



Matthew John Collecott  
Director

11 September 2017

## **ENIC Group**

### **Directors' report**

The directors present their annual report and the audited financial statements for the year to 31 December 2016. The company is an unlimited company. This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

#### **Directors**

The directors who served throughout the period and to the date of this report, unless stated, were as follows:

Daniel Philip Levy  
Matthew John Collecott

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors  
and signed on behalf of the Board



Matthew John Collecott  
Director

11 September 2017

## **ENIC Group**

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to the members of ENIC Group**

We have audited the financial statements of ENIC Group for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

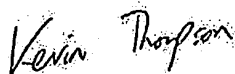
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report.



Kevin Thompson (Senior statutory auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
11 September 2017



## ENIC Group

### Profit and loss account Year to 31 December 2016

|   | Notes | 2016<br>£'000 | 2015<br>£'000 |
|---|-------|---------------|---------------|
| Turnover  | 1.    | -             | -             |
| Operating expenses  |       | -             | (46)          |
| Other income  |       | 4,574         | -             |
| Operating profit/(loss)                                     |       | 4,574         | (46)          |
| Dividends received  |       | 1,588         | -             |
| Profit/(loss) on ordinary activities before finance charges |       | 6,162         | (46)          |
| Net interest receivable                                     | 3     | 627           | 788           |
| Profit on ordinary activities before taxation               | 2     | 6,789         | 742           |
| Tax on profit on ordinary activities                        | 5     | (229)         | -             |
| Profit on ordinary activities after taxation                | 11    | 6,560         | 742           |

The accompanying accounting policies and notes form an integral part of these financial statements.

All activities derive from continuing operations.

No other gains or losses were recognised in the current or prior year and therefore no statement of comprehensive income is presented. All income and expenses result from operations within the United Kingdom connected to overseeing the company's strategic investments.

## ENIC Group

Year ended 31 December 2016

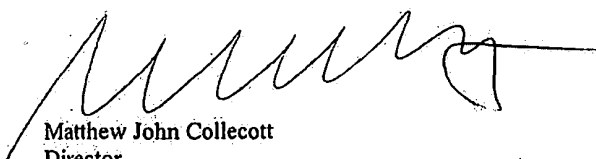
### Balance Sheet

|   | Notes | 2016<br>£'000 | 2015<br>£'000  |
|---|-------|---------------|----------------|
| <b>Fixed assets</b>                                   |       |               |                |
| Investments   | 6     | <u>1</u>      | <u>1</u>       |
|   |       | 1             | 1              |
| <b>Current assets</b>                                 |       |               |                |
| Debtors   | 7     | 28,400        | 26,782         |
| Cash at bank and in hand                              |       | <u>-</u>      | <u>-</u>       |
|   |       | 28,400        | 26,782         |
| <b>Creditors: amounts falling due within one year</b> | 8     | <u>(229)</u>  | <u>(5,171)</u> |
| <b>Net current assets</b>                             |       | <u>28,171</u> | <u>21,611</u>  |
| <b>Total assets less current liabilities</b>          |       | <u>28,172</u> | <u>21,612</u>  |
| <b>Net assets</b>                                     |       | <u>28,172</u> | <u>21,612</u>  |
| <b>Capital and reserves</b>                           |       |               |                |
| Called up share capital                               | 9     | 2,518         | 2,518          |
| Share premium account                                 | 10    | 3,074         | 3,074          |
| Capital redemption reserve                            | 10    | 1,417         | 1,417          |
| Profit and loss account                               | 10    | <u>21,163</u> | <u>14,603</u>  |
| <b>Shareholders' funds</b>                            | 11    | <u>28,172</u> | <u>21,612</u>  |

The accompanying accounting policies and notes form an integral part of these financial statements.

The financial statements of the company, registered number 00164062, were approved by the Board of Directors on 11 September 2017

Signed on behalf of the Board of Directors

  
Matthew John Collecott  
Director

## ENIC Group

Year ended 31 December 2016

### Statement of changes in equity

|  | <b>Called-up<br/>share<br/>capital<br/>£ 000</b> | <b>Share<br/>premium<br/>account<br/>£ 000</b> | <b>Capital<br/>redemptio<br/>n reserve<br/>£ 000</b> | <b>Profit<br/>and loss account<br/>£ 000</b> | <b>Total<br/>£ 000</b> |
|--|--|--|--|--|------------------------|
| <b>At 1 January 2015</b>                 | 2,518  | 3,074  | 1,417  | 13,861                                       | 20,870                 |
| <b>Profit for the<br/>financial year</b> | -  | -  | -  | 742  | 742                    |
| <b>At 31 December 2015</b>               | 2,518  | 3,074  | 1,417  | 14,603                                       | 21,612                 |
| <b>At 1 January 2016</b>                 | 2,518  | 3,074  | 1,417  | 14,603                                       | 21,612                 |
| <b>Profit for the<br/>financial year</b> | -  | -  | -  | 6,560  | 6,560                  |
| <b>At 31 December 2016</b>               | 2,518  | 3,074  | 1,417  | 21,163                                       | 28,172                 |

## **ENIC Group**

### **Notes to the accounts Year ended 31 December 2016**

#### **1. Accounting policies**

The principal accounting policies are summarised below. They have been applied consistently throughout the current and preceding period.

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 issued by the Financial Reporting Council.

There were no material adjustments on adoption of FRS 102 in the current year.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to the presentation of a cash flow statement and remuneration of key management personnel.

##### **Going concern**

As per the Directors' Report, the accounts have been prepared on a going concern basis.

##### **Turnover**

Turnover represents services provided to companies within the football sector and are stated net of VAT. Income is recognised on an accruals basis when the service is provided.

##### **Deferred taxation**

Deferred taxation is provided in full on material timing differences at the rate of taxation anticipated to apply when these differences crystallise. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

A deferred tax asset is only recognised where it is more likely than not that it will be recoverable in the future. Deferred tax assets and liabilities recognised have not been discounted.

##### **Taxation**

Current tax is provided at amounts expected to be paid (or recovered) using the corporate tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## ENIC Group

### Notes to the accounts Year ended 31 December 2016

#### 2. Profit/(Loss) before taxation

This is stated after charging/(crediting):

|   | 2016<br>£'000 | 2015<br>£'000 |
|---|---------------|---------------|
| Depreciation                                | -             | -             |
| Profit on disposal of tangible fixed assets | -             | -             |
| Foreign exchange gain                       | -             | -             |
|   | <u>-</u>      | <u>-</u>      |

Fees of £1,000 (2015: £1,000) payable to the company's auditor for the audit of company's annual accounts were paid by ENIC Limited, the company's parent company.

#### 3. Net Interest receivable

|                          | 2016<br>£'000 | 2015<br>£'000 |
|--------------------------|---------------|---------------|
| Interest on Group loans. | 627           | 788           |
|                          | <u>627</u>    | <u>788</u>    |

#### 4. Directors and employees

No emoluments, or pension benefits were paid to any directors during the year (2015:£nil):

#### Average number of employees

|  | 2016     | 2015     |
|--|----------|----------|
| The average number of persons employed by the company during the year was: |          |          |
| Directors  | <u>2</u> | <u>2</u> |

## ENIC Group

### Notes to the accounts Year ended 31 December 2016

#### 5. Tax on profit/(loss) on ordinary activities

The tax charge comprises:

|   | 2016<br>£'000 | 2015<br>£'000 |
|---|---------------|---------------|
| Current tax on profit on ordinary activities      |               |               |
| UK corporation tax                                | 229           | -             |
| Adjustment in respect of prior periods            | -             | -             |
| Total current tax                                 | 229           | -             |
| Total tax on profit/(loss) on ordinary activities | 229           | -             |

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

|  | 2016<br>£'000 | 2015<br>£'000 |
|--|---------------|---------------|
| Profit on ordinary activities before taxation  | 6,789         | 742           |
| Profit/(loss) on ordinary activities at standard rate of corporation tax in the UK of 20% (2015: 20.25%) | 1,358         | 150           |
| Effects of:  |               |               |
| Expenses not deductible for tax purposes   | -             | 5             |
| Non-taxable dividend from subsidiary   | (318)         | -             |
| Write off of intercompany balances   | -             | -             |
| Tax losses claimed from other subsidiaries for no consideration  | (583)         | -             |
| Capital allowances in excess of depreciation   | -             | (1)           |
| Utilisation of tax losses not previously recognised  | (228)         | (154)         |
| Total tax charge for period  | 229           | -             |

There are no deferred tax liabilities in the company. Deferred tax assets on losses carried forward, accelerated capital losses are not provided. The total potential deferred tax asset that has not been recognised in respect of tax losses and other timing differences at the rate of 17% (2015: 18%) is £2,000 (2015: £670,000).

There is no expiry date on timing differences, unused tax losses or tax credits.

#### Factors affecting the tax charge for future periods

The standard rate of UK Corporation Tax reduced from 21% to 20% on 1 April 2015 and therefore the average standard rate of corporation tax for the year ended 31 December 2016 was 20% (2015: 20.25%).

The Finance (No 2) Act 2015 substantively enacted reductions in the standard rate of UK corporation tax from 20% to 19% from 1 April 2017, and 18% from 1 April 2020. Subsequently The Finance Act 2016 further reduced the standard rate of corporation tax to 17% with effect from 1 April 2020. Therefore deferred tax calculations are based on the enacted rate of 17% (2015: 18%) as at the balance sheet date.

The above changes to the rate of corporation tax will impact the amount of future cash tax payments to be made by the company.

# ENIC Group

## Notes to the accounts Year ended 31 December 2016

### 6. Subsidiary undertakings

Interests in subsidiary undertakings are as follows:

| Undertaking                              | Country of incorporation | Nature of business | Effective Holding |
|--|--------------------------|--------------------|-------------------|
| ENIC Entertainment Limited*              | Great Britain            | Holding company    | 100%              |
| ENIC Entertainment (Restaurants) Limited | Great Britain            | Holding company    | 100%              |
| WB/ENIC Soundstage Restaurants L.P.      | USA                      | Holding company    | 100%              |
| Brook Road Limited*                      | Great Britain            | Holding company    | 100%              |
| Raz Air Limited*                         | Great Britain            | Holding company    | 100%              |
| Transglobal Estates Limited*             | Great Britain            | Property company   | 100%              |

\* Companies held directly by ENIC Group.

All investments are held within their respective subsidiary.

|  |          |
|--|----------|
|  | £'000    |
| Cost                                   |          |
| At 1 January 2016 & 31 December 2016   | 16,714   |
| Provisions for impairment              |          |
| At 1 January 2016 and 31 December 2016 | (16,713) |
| Net book value                         | 1        |

### 7. Debtors

|                                    | 2016<br>£'000 | 2015<br>£'000 |
|------------------------------------|---------------|---------------|
| Amounts owed by Group undertakings | 22,049        | 21,156        |
| Other debtors                      | 6,357         | 5,626         |
|                                    | <u>28,400</u> | <u>26,782</u> |

All amounts owed by Group undertakings to the company are due in less than one year (2015: all amounts due in less than one year). Interest was charged at arm's length on intra Group loans.

### 8. Creditors: amounts falling due within one year

|                                    | 2016<br>£'000 | 2015<br>£'000 |
|------------------------------------|---------------|---------------|
| Amounts owed to Group undertakings | -             | 5,171         |
| Corporation tax                    | 229           | -             |
|                                    | <u>229</u>    | <u>5,171</u>  |

## ENIC Group

### Notes to the accounts Year ended 31 December 2016

#### 9. Share capital

|   | Number      | 2016<br>£'000 | Number      | 2015<br>£'000 |
|---|-------------|---------------|-------------|---------------|
| Allotted, called up and fully paid<br>Ordinary shares of 2.5p | 100,722,914 | 2,518         | 100,722,914 | 2,518         |

#### 10. Share premium account and reserves

|                              | Share<br>premium<br>account<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Profit<br>and loss<br>account<br>£'000 | Total<br>£'000 |
|------------------------------|--------------------------------------|---|--|----------------|
| At 1 January 2015            | 3,074                                | 1,417                                     | 14,603                                 | 19,094         |
| Retained profit for the year | -                                    | -   | 6,560                                  | 6,560          |
| At 31 December 2015          | 3,074                                | 1,417                                     | 21,163                                 | 25,654         |

#### 11. Reconciliation of movements in shareholders' funds

|                                     | 2016<br>£'000 | 2015<br>£'000 |
|-------------------------------------|---------------|---------------|
| Shareholders' funds brought forward | 21,612        | 20,870        |
| Profit/(loss) for the year          | 6,560         | 742           |
| Shareholders' funds carried forward | 28,172        | 21,612        |

#### 12. Capital commitments and contingent liabilities

The company has no contracted commitments at 31 December 2016 (2015: £nil).

The company has one residual lease for which it indemnifies Time Warner Entertainment Limited. The lease was acquired with Warner Bros. Studio Stores Limited ("WBSS"). The contingent liability under the indemnities provided by ENIC Group in respect of the lease at the end of the year was £2.6m (2015: £4.3m) over the full term of such leases. The lease is on a store in Regent Street, London, and has been assigned to the Retailer Esprit. WBSS has been liquidated.

Whilst a contingent liability has been noted, the view of the Directors is that should the lease revert, it is unlikely to result in a liability and expires in August 2018.



## **ENIC Group**

### **Notes to the accounts Year ended 31 December 2016**

#### **13. Ultimate parent undertaking**

The directors consider ENIC International Limited, a company incorporated in the Bahamas, as the ultimate parent undertaking and the ultimate controlling party. ENIC Limited is the immediate parent company and is the parent company of the largest and smallest group of which the Company's accounts are consolidated into. The accounts of ENIC Limited can be obtained from its registered address.

#### **14. Related parties**

As a wholly-owned subsidiary undertaking of ENIC Limited the company has taken advantage of the exemption not to disclose transactions with other members of the group headed by ENIC Limited.